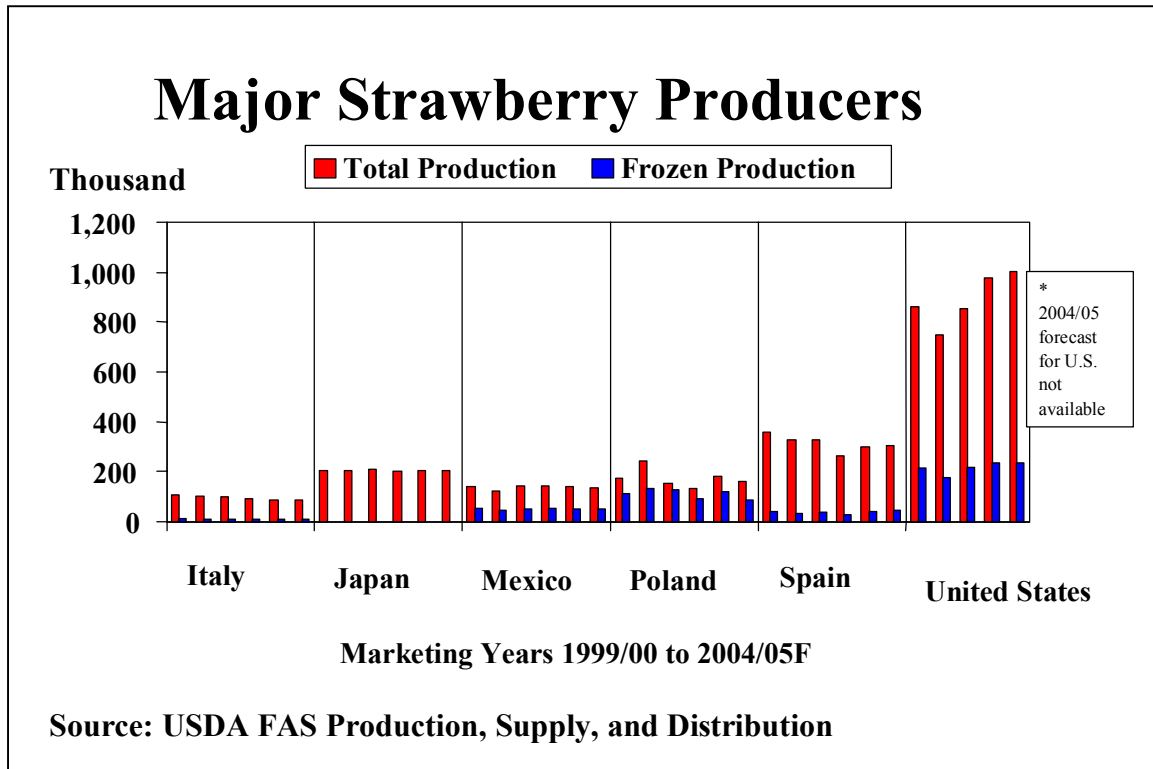


Strawberry Situation and Outlook in Selected Countries

In marketing year (MY) 2003/04, fresh strawberry production for selected major producers was estimated at 1,912,118 metric tons, an increase of 6 percent over the 2002/03 level. Frozen strawberry production in 2003/04 was up 10 percent at 459,951 tons for the same countries. For 2004/05, fresh production is forecast down slightly for most major producers, with the exception of Spain.



Global Production and Trade

The United States is the world's leading producer of strawberries for both the fresh and frozen markets. U.S. production has seen steady growth over the past several years. Typically about 25 percent of that production goes to the frozen market. Spain is the second largest producing country with most of its production utilized by the fresh market. Poland is the third largest producer overall, but the second leading frozen strawberry producer. Although Japan produces slightly more than 200,000 tons annually, it consumes most of its production in fresh form and imports additional supplies to fulfill its domestic demand.

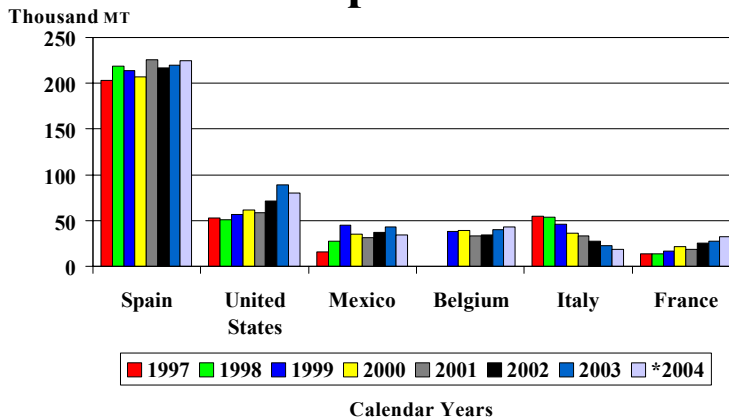
Spain is the world's leading exporter of fresh strawberries, followed by the United States. The world's top exporter of frozen strawberries is Poland. In recent years, exports of frozen strawberries from Poland have dropped dramatically from the record of more than 127,000 tons exported in 2001/02.

Fresh Strawberries

Spain

Spain's fresh strawberry production forecast for 2004/05 has been set at 305,000 tons, a 2-percent increase over the revised estimate for 2003/04. The focus of Spain's industry is for the fresh market. Typically, only about 10 to 15 percent of production is used for the frozen and processing market.

Leading Fresh Strawberry Exporters



Source: Global Trade Atlas (*Note 2004 covers: Jan-Sep for Italy; Jan-Oct for Spain, Belgium, and Mexico; Jan-Nov for France and USA.)

Spain typically exports more than twice as much as the United States. In calendar year (CY) 2003, Spain exported an estimated 214,250 tons of fresh strawberries. This represents a 1-percent decrease from the 2002 level. From January to August 2004, Spain exported 224,597 tons, nearly 3 percent more than the same period a year earlier. Spain's largest export markets are typically Germany, France, the United Kingdom (UK), Belgium-Luxembourg, and Italy.

Spain's imports of fresh strawberries are very small due to its large domestic crop. In 2003, imports were an estimated 8,600 tons, a 35-percent increase from 2002. From January to August 2004, imports reached more than 7,000 tons, an increase of nearly 3 percent over the same period a year earlier.

United States

Total U.S. production of strawberries for 2003/04 (marketing year January 2004-December 2004) is estimated at 1,004,118 tons, an increase of 3 percent from the 2002/03 crop. Average annual production over the past 5 years totaled nearly 890,000 tons, with growth occurring each year for the past four. Generally, about 25 percent of the total production is utilized for the frozen and processed strawberry market.

The United States is the second largest exporter of fresh strawberries. In CY 2003, the United States exported 88,548 tons of fresh strawberries. This marked a 24-percent increase over the 2002 level. From January to November 2004, exports totaled 80,345 tons, a decrease of about 7 percent from the same period in 2003. U.S strawberry exports

averaged 67,240 tons yearly between 1999 and 2003. The leading export markets for fresh strawberries are Canada, Mexico, and Japan. In CY 2003, these three countries imported over 89 percent of the United States' fresh strawberry exports.

In CY 2003, the United States was the fourth largest importer of fresh strawberries, bringing in 40,977 tons, an increase of 1 percent from CY 2002. January to November 2004 imports were up 4 percent from the same period a year earlier, totaling 40,912 tons. The predominant supplier of fresh strawberries is Mexico, which typically supplies more than 95 percent of U.S. imports.

U.S. International Marketing Activities

For the 2003/04 marketing year, the California Strawberry Commission (CSC) is carrying out Market Access Program (MAP) activities for fresh and frozen strawberries in Mexico, Canada, Japan, and Hong Kong. The CSC was granted \$688,486 in MAP funding to carry out its projects in those markets. The CSC's main goal in international markets is to expand trade and consumer use of California strawberries. It seeks to differentiate California strawberries through several messages to consumers such as origin, safety, health attributes, and new uses, while the focus for the trade is on improving handling practices and communicating the advantages of California strawberries over the competition's product.

China

China has increased its strawberry production rapidly in recent years to become one of the major strawberry producers in the world. Production has increased dramatically mainly due to high profitability, high market demand, and increased exports. Although strawberries are planted in most regions of China, 40 percent of the planted area is in three provinces: Hebei, Liaoning, and Shandong. For 2003, total output has been estimated at 800,000 tons, up from the 750,000 tons in 2002. Production is forecast to increase by 10-15 percent annually in the next five years.

Around 80 percent of China's production is consumed domestically as fresh product. As such, fresh strawberry exports from China are small but growing. In CY 2003, exports totaled 818 tons, up 54 percent from the previous year. January to October 2004 shipments were up 44 percent, totaling 1,151 tons, from the same period in 2003.

Italy

Strawberry production in Italy has declined steadily over the past several years, mainly due to high labor costs and international competition. Production in 2004 is forecast at 85,000 tons, down slightly from the previous year, mainly due to the continued decrease in planted area.

In CY 2003, Italy was the sixth largest fresh strawberry exporter in the world, exporting a total of 22,343 tons. Exports are expected to fall slightly in 2004 to 19,500 tons, mainly due to the strong competition from Spain and other foreign producers. Italy's top export markets are typically Germany, Switzerland, Austria, Denmark, Sweden, and the UK.

In CY 2003, fresh strawberry imports in Italy totaled 23,321 tons, up from the 24,512 tons in CY 2002. However, January to September 2004 imports were up nearly 30 percent over the same period in 2003. Imports of fresh strawberries are expected to increase for the next two years to offset the anticipated lower production levels.

Mexico

Strawberry production for 2004/05 (marketing year August 2004-July 2005) is forecast at 135,000 tons, down 2 percent from the estimated production level in 2003/04, mainly due to poor weather conditions. In addition to rainfall that hindered planting in the Michoacan area for the 2004/05 season, there has been an overall trend in many producing areas, most notably Guanajuato, to decrease planted areas due to lower prices, lack of credit, and increases in cost of production. Over 90 percent of Mexico's strawberries are produced in the states of Michoacan, Guanajuato, and Baja California.

In CY 2003, Mexico was the third largest fresh strawberry exporter in the world, in terms of value, and sixth largest in terms of volume. January to September 2004 exports totaled 34,208 tons, a 15-percent decrease from the same period in 2003. Mexico's top export market is the United States. Typically, about 97 to 99 percent of Mexico's exports of fresh strawberries go to the United States. The remainder are shipped by air to Japan and Europe.

Imports of fresh strawberries have increased in recent years, mostly from the United States. Since NAFTA took effect in 1994 and eliminated the 20-percent duty, imports from the United States have increased more than 200 percent. In CY 2003, Mexico imported 11,778 tons from the United States. January to September 2004 imports totaled 10,993 tons, an increase of 4 percent from the same period a year earlier.

Poland

The strawberry production forecast for 2004/05 (marketing year January 2005-December 2006) has been set at 160,000 tons, due to expected declines in area planted and harvested. This represents a 12-percent decrease from the production estimate for 2003/04, and a 22-percent increase from 2002/03. Over the past 10 years, the average area under strawberry cultivation in Poland was 57,000 hectares. During 2004, profitability was low, and as a result, some plantings were removed. The area under production is expected to decline in 2005.

Exports of fresh strawberries in CY 2003 totaled 13,627 tons. January to September 2004 exports totaled 17,663 tons, a 30-percent increase from the same period a year

earlier. Poland's main regional market for exports is the European Union. Germany is the single largest country market, typically consuming around 40 percent of total exports.

Generally, Poland imports very small quantities of fresh strawberries, most of which come from Spain. In CY 2003, imports totaled 1,007 tons. From January to September 2004, imports increased by 20 percent from the same period a year earlier, totaling 1,217 tons.

Japan

Although Japan's strawberry production was growing modestly in the last decade, its growth trend has been slowing recently due to labor shortages in some regions. In 2004/05 (marketing year October 2004-September 2005), production is forecast at 204,000 tons, less than a 1-percent decrease from the estimate for 2003/04. Most of Japan's strawberries are produced in hothouses, with production from November through April.

Japan usually exports very small quantities of strawberries as almost all production is consumed domestically. However, in CY 2003 Japan exported 11 tons of fresh strawberries, compared to three tons in 2002. January to October 2004 exports totaled 8 tons, 20 percent below the same period for the previous year. Almost all exports of fresh strawberries are sent to Hong Kong.

In CY 2003, imports totaled 4,177 tons, a drop of 15 percent from the previous year. Imports from January to October 2004 totaled 3,966 tons, a decrease of 4 percent from the same period last year. Typically, the United States supplies around 70 to 90 percent of Japan's fresh strawberry imports.

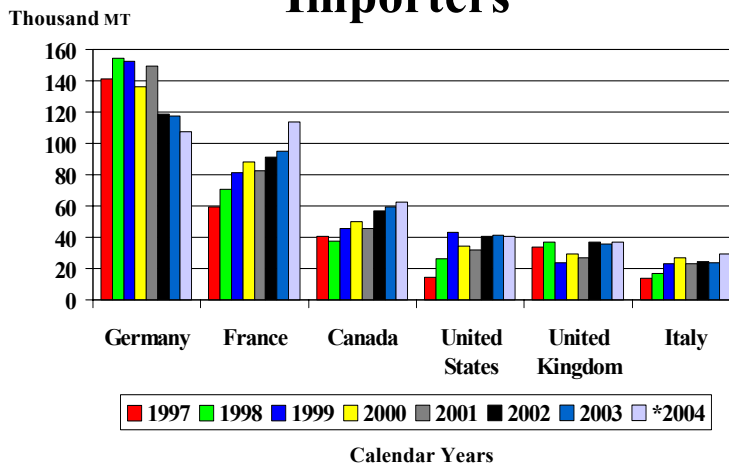
Canada

In recent years, production of fresh strawberries in Canada has been declining due to decreases in bearing area brought on by poor weather and low profitability. For 2005, production is forecast at 23,500 tons, down slightly from the estimated level for 2004, mainly due to the decreased area planted. Bearing area is forecast to fall by 6 percent to 3,850 hectares in 2005. Although yields have been higher in recent years, the increases have been insufficient to offset the decreased bearing areas.

Canada's exports of fresh strawberries are very small, totaling 258 tons in CY 2003. Typically, almost 90 percent of Canada's international sales are shipped to the United States, with the remainder destined for Japan. January to October 2004 exports totaled 214 tons, down by almost 18 percent from the same period in the previous year.

In CY 2003, Canada was the third largest importer in the world, bringing in 59,311 tons, almost 5 percent more than CY 2002. From January to October 2004, imports totaled 61,487 tons, an increase of nearly 10 percent from the same period in 2003. Typically, Canada purchases over 95 percent of its total imports from the United States, with most of the remainder coming from Mexico and New Zealand.

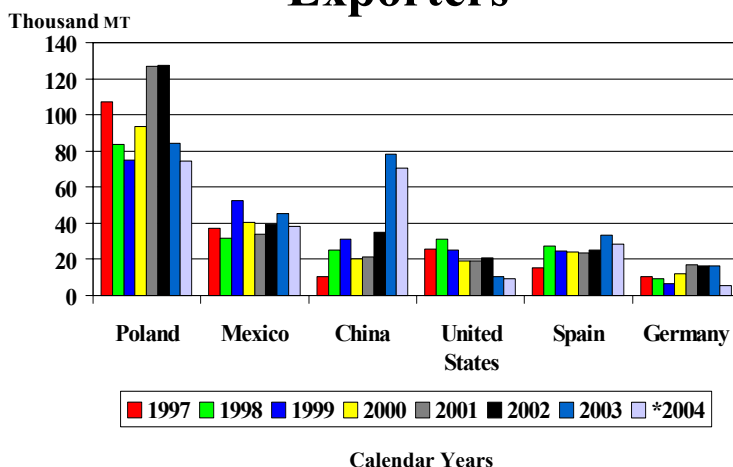
Leading Fresh Strawberry Importers



Source: Global Trade Atlas (*Note 2004 covers: Jan-Sep for Germany; Jan-Oct for the UK; Jan-Nov for France, Canada, and the USA.)

Frozen Strawberries

Leading Frozen Strawberry Exporters



Source: Global Trade Atlas (*Note 2004 covers: Jan-Sep for Germany; Jan-Oct for Poland, Mexico, and Spain; Jan-Nov for China and USA.)

dropped by nearly 40 percent to 84,199 tons, mainly due to declining production and lower priced competition from China. From January to September 2004, exports continued to decline from the same period the previous year, reaching only 67,297 tons.

Poland

Typically, about 60 to 70 percent of Poland's strawberry crop is sold as frozen product. In 2003/04, 145,000 tons of fresh strawberries were delivered to processors, from which 120,000 tons of frozen strawberries were produced. Poland is the world's largest exporter of frozen strawberries. However, in CY 2003, exports

Poland's top export markets are typically, Germany, the Netherlands, France, Denmark, and Sweden. Collectively, these five markets comprised 73 percent of Poland's international frozen strawberry shipments in 2003.

Poland's imports of frozen strawberries in CY 2003 were relatively small; however, they did increase to 3,048 tons, an increase of almost 95 percent. January to September 2004 imports, however, totaled 2,338 tons, an 11-percent decrease over the same period in 2003.

United States

Typically, around 25 percent of the U.S. strawberry crop is used for frozen and processed production. For 2003/04, frozen strawberry production is estimated at 23,551 tons, a 1-percent increase from the 2002/03 level.

The United States is a leading frozen strawberry exporter. However, it fell from 4th place in 2002 to 10th place in 2003. In CY 2003, the United States exported approximately 10,397 tons of frozen strawberries, down 50 percent from the previous year. Between 1999 and 2003, frozen strawberry exports averaged 19,006 tons. From January to November 2004, however, exports were down 3 percent from the same period in 2003, totaling 9,303 tons. Canada, Japan, and Australia are the leading destinations for frozen strawberry exports, comprising 87 percent of U.S. frozen strawberry exports from January-November 2004.

In CY 2003, the United States was the second largest importer of frozen strawberries, bringing in 56,696 tons from foreign sources. This total represents an 11-percent increase from the previous year. January to November 2004 imports totaled more than 54,321 tons, a 2-percent increase from the same period in 2003. In CY 2003, Mexico, Chile, and Ecuador supplied almost 90 percent of U.S. frozen strawberry imports.

Mexico

Frozen strawberry production is forecast at 49,000 tons for 2004/05, a decrease of 4 percent from the prior year, due to a lack of fresh strawberries for processing in the domestic market. Production was revised downward for 2003/04 also due to a lack of berries for the processing sector. Although demand for frozen strawberries has been increasing, low international prices have driven down production in recent years. Producers indicate that future production of frozen strawberries will increase only if prices rise and more product is diverted from the fresh market.

In CY 2003, Mexico dropped to third-largest frozen strawberry exporter in the world behind Poland and China. In that year, Mexico exported approximately 45,141 tons of frozen strawberries, nearly a 30-percent increase from the 34,968 tons exported in 2002. January to September 2004 exports totaled 37,922 tons, however, 12 percent below the

same period a year earlier. Mexico's top markets are typically the United States, Japan, Canada, and Australia. The United States usually consumes over 90 percent of Mexico's exports of frozen strawberries.

Imports of frozen strawberries are typically quite small. In CY 2003, imports reached 603 tons, a 63-percent decrease from the 2002 total. Forty percent of those imports were supplied by the United States. January to September 2004 imports were down 34 percent from the same period in 2003.

China

In recent years, rapid increases in production of frozen strawberries have been fueled by growing exports. For 2003, production is estimated at 72,000 tons, up from 67,500 tons in 2002. The forecast for 2004 is 75,600 tons and is expected to continue increasing in the years to come.

Frozen strawberry exports have grown at a tremendous rate in the past few years. In CY 2003, exports totaled nearly 78,000 tons, up from 34,968 in 2002. However, January to October 2004 exports dropped 11 percent from the same period a year earlier, totaling 63,987 tons, mainly due to higher production in Europe.

Although imports are much smaller than exports, they have also increased very rapidly in recent years. In 2001, imports totaled 998 tons. By 2003, imports totaled 17,956 tons. Much of the increase has been due to imported product being freeze dried and then re-exported. January to October 2004 imports dropped by nearly 100 percent. This decrease was seen most notably by a drop in imports from the United States, which fell from 4,152 tons in January to October 2003 to 20 tons in the same period of 2004.

Spain

Around 15 percent of Spain's strawberry crop is typically used for frozen and processed production. In 2004/05, production is forecast at 43,600 tons, a 3-percent increase over the estimate for the 2003/04 crop. Production for the 2003/04 crop has been revised upward to 42,400 tons, 18 percent higher than the 1997-2002 average.

In 2003, Spain was the fourth largest frozen strawberry exporter in the world. It exported 33,126 tons in that year. January to August 2004 exports were down by more than 15 percent from the same period a year earlier, reaching 24,146 tons. Almost all of Spain's frozen strawberry exports are destined for the European market, with France, the Netherlands, and Germany the top importers.

In CY 2003, Spain's imports of frozen strawberries totaled 13,016 tons, an increase of 16 percent from the CY 2002 level. January to August 2004 imports continued the upward trend, increasing by more than 70 percent from the same period in 2003, reaching 22,045

tons. The main supplier of frozen strawberries to Spain is Morocco, which supplied over 95 percent of Spain's total imports in 2003.

Japan

Very little of Japan's production is used for frozen or processed strawberries. For 2004/05, frozen production is forecast at 950 tons, slightly less than the 1,000-ton estimate for the previous year. All frozen production is consumed in Japan.

In CY 2003, Japan imported more than 29,400 tons of frozen strawberries, up from the 28,822 imported in 2002. China surpassed the United States as the largest supplier to Japan, supplying 56 percent of Japan's imports in 2003. This trend is mainly due to the fact that Chinese frozen strawberries are roughly half the price of U.S. product. January to September 2004 trade data showed China's share of the import market expanding further, while the U.S. share is declining.

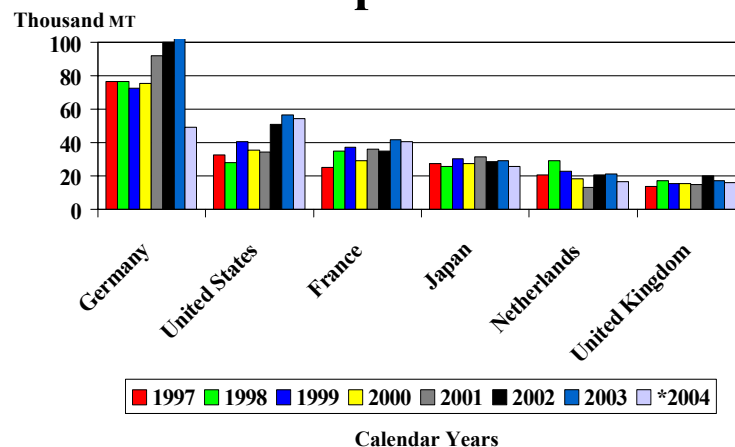
Italy

About 10 percent of Italy's strawberry crop is typically used for frozen and processed production. The 2004/05 production forecast for frozen strawberries is set at 10,000 tons, equal to the revised estimate for the previous year.

Italy is not a major global exporter of frozen strawberries. In CY 2003 exports totaled 1,513 tons, down 37 percent from the previous year. January to September 2004 exports showed a further decline in exports to a level of 798 tons, a 35-percent decrease from the same period the previous year.

In CY 2003, Italy's imports of frozen strawberries totaled 12,466 tons, an increase of almost 50 percent over the 2002 total. January to September 2004 imports, however, decreased 28 percent from the same period a year earlier to reach 7,908 tons. In 2003, Spain, China, and Germany were Italy's top three suppliers. Together, they supplied more than 70 percent of Italy's imports of frozen strawberries.

Leading Frozen Strawberry Importers



Source: Global Trade Atlas (*Note 2004 covers: Jan-Sep for Germany; Jan-Oct for Netherlands and UK; and Jan-Nov for France, Japan and USA.)

Canada

Production of frozen strawberries in Canada is negligible. For 2005, the production forecast has been set at 2,800 tons, slightly less than the revised estimate of 2,900 for 2004. Exports are also very small, due to the low level of production. In CY 2003, exports totaled 901 tons, down 18 percent from 2002. January to October 2004 exports fell by nearly 50 percent from the same period in 2003, totaling 436 tons. Almost all frozen strawberry exports are shipped to the United States.

Canada is a major importer of frozen strawberries. In CY 2003, imports totaled 20,215 tons, an increase of 9 percent from the 2002 level. January to November 2004 imports totaled 14,876 tons, a decrease of 19 percent from the same period in 2003. Canada typically purchases around 45 percent of its frozen strawberry imports from the United States.

(The FAS Attaché Report search engine contains reports on Fresh Strawberry industries for five countries, including Italy, Japan, Mexico, Poland, and Spain. For information on production and trade, contact Dwight Wilder at 202-690-2702 or visit the [strawberry commodity page](http://www.fas.usda.gov/http/horticulture/strawberry.html) at: <http://www.fas.usda.gov/http/horticulture/strawberry.html>. For information on marketing contact Eric Moye at 202-690-0556).